



# Rule Up For Final Action

Proposed Amendments to

WAC 230-30-033

Event pull-tab series – Definitions - Restrictions.

**ITEM 8 (a) on the July 9, 2004, Commission Meeting Agenda.**

**Statutory Authority 9.46.070**

**Who proposed the rule change?**

Bonanza Press, Inc.

**Why is this rule change needed?**

At the April meeting, the Commission filed a Petition for Rule Change submitted by Roger Wendland, sales representative for Bonanza Press, requesting an amendment to WAC 230-30-033. This rule sets the requirements for event pull-tab series. Mr. Wendland is requesting an amendment to allow carry-over jackpots to be used in these series.

**History of Event Pull-Tabs:** A nonprofit task force was formed in the fall of 1998 at the request of bingo licensees because of changes in the market place, which indicated another downturn in gambling for nonprofits. The task force presented a report to the Commission in 2000. The report included a recommendation to file a rules package to provide new marketing opportunities focused on a bingo operator's pull-tab activity. In March 2001, event pull-tab series were authorized for charitable and nonprofit licensees. These pull-tab series are tied to a bingo game, using "called" bingo ball numbers to determine winners. The games are completed within one bingo session.

**Carry-over Jackpots:** WAC 230-30-045 (attached) sets out requirements for pull-tab series that offer a carry-over jackpot. These series are designed with prizes that are guaranteed to be paid out during the series, in addition to a carry-over jackpot. A carry-over jackpot is a prize pool that is made up of accumulated contribution amounts from pull-tab series which, if not won, are carried over to another pull-tab series. What this means is that if a game is over and the money designated for the carry-over jackpot is not won, the prize money is moved to a second pull-tab series as a carry-over jackpot. If the carry-over jackpot is not won during the second series, the carry-over jack pot from the first and second series are carried over to a third series. No more than \$500 may be added to a carry-over jackpot at one time and a jackpot cannot exceed \$2,000.

Staff have reviewed the event pull-tab rule making file and it does not reveal why carry-over jackpots were restricted from use with event pull-tab series. Staff speculate the restriction was included in this rule because the games were new in the state and chose a conservative start to the new game. No problems have arisen as a result of event pull-tab series and the game appears to be quite popular among bingo players. Each pull-tab series has about 500-600 tickets and normally all tickets are completely sold out. Staff does not have regulatory concerns allowing carry-over jackpots to be used with event pull-tab series.

Attached:

Petition for Rule Change and proposed amendment WAC 230-30-033. The Petitioner did not submit amended language for WAC 230-30-033; therefore, staff drafted language to accomplish the requested amendment. Mr. Wendland has agreed the language is satisfactory and meets his needs.

WAC 230-30-045

Letter dated May 1, 2004, notifying Mr. Wendland of the May 2004, Commission meeting.

**Statements against the proposed rule change.**

None at this time.

**Which licensees will be directly impacted?**

Charitable and nonprofit organizations offering event pull-tab series.

**What are the potential impacts to the agency?**

Minimal.

**Staff recommendation.**

Adoption.

**Proposed effective date.**

At the April 2004, meeting, Don Kaufman, of Big Brothers and Big Sisters of Spokane, requested that if the Commissioners pass this rule, it be effective 31 days after filing, so licensees can receive the benefit of the rule sooner. If the Commission adopts the rule at the July meeting, to become effective 31 days from filing, the effective date would be August 9, 2004.